

sources for the three basic purposes: Children with disabilities, educationally deprived children, and bilingual education for limited English proficient children.)

This amount is subtracted from the LEA's total expenditure for elementary school students computed above:

\$10,000,000
– 1,600,000
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8,400,000

c. The LEA next must divide by the average number of students enrolled in the elementary schools of the agency last year (including its students with disabilities).

*Example:* Last year, an average of 7,000 students were enrolled in the agency's elementary schools. This must be divided into the amount computed under the above paragraph:  $\$8,400,000 / 7,000 \text{ students} = \$1,200/\text{student}$ .

This figure is in the minimum amount the LEA must spend (on the average) for the education of each of its students with disabilities. Funds under part B may be used only for costs over and above this minimum. In this example, if the LEA has 100 elementary school students with disabilities, it must keep records adequate to show that it has spent at least \$120,000 for the education of those students (100 students times \$1,200/student), not including capital outlay and debt service.

This \$120,000 may come from any funds except funds under part B, subject to any legal requirements that govern the use of those other funds.

If the LEA has secondary school students with disabilities, it must do the same computation for them. However the amounts used in the computation would be those the LEA spent last year for the education of secondary school students, rather than for elementary school students.

#### **§ 300.185 Computation of excess costs—consolidated application.**

The minimum average amount under § 300.183, if two or more LEAs submit a consolidated application, is the average of the combined minimum average amounts determined under § 300.184 in those agencies for elementary or secondary school students, as the case may be.

(Authority: 20 U.S.C. 1414(a)(1))

#### **§ 300.186 Excess costs—limitation on use of part B funds.**

(a) The excess cost requirement prevents an LEA from using funds provided under part B of the Act to pay for

all of the costs directly attributable to the education of a child with a disability, subject to paragraph (b) of this section.

(b) The excess cost requirement does not prevent an LEA from using part B funds to pay for all of the costs directly attributable to the education of a child with a disability in any of the age ranges three, four, five, eighteen, nineteen, twenty, or twenty-one, if no local or State funds are available for nondisabled children in that age range. However, the LEA must comply with the nonsupplanting and other requirements of this part in providing the education and services.

(Authority: 20 U.S.C. 1402(20); 1414(a)(1))

#### **§ 300.187–300.189 [Reserved]**

#### **§ 300.190 Consolidated applications.**

(a) [Reserved]

(b) *Required applications.* An SEA may require LEAs to submit a consolidated application for payments under part B of the Act if the SEA determines that an individual application submitted by an LEA will be disapproved because—

(1) The agency's entitlement is less than the \$7,500 minimum required by section 611(c)(4)(A)(i) of the Act (§ 300.360(a)(1)); or

(2) The agency is unable to establish and maintain programs of sufficient size and scope to effectively meet the educational needs of children with disabilities.

(c) *Size and scope of program.* The SEA shall establish standards and procedures for determinations under paragraph (b)(2) of this section.

(Authority: 20 U.S.C. 1414(c)(1))

#### **§ 300.191 [Reserved]**

#### **§ 300.192 State regulation of consolidated applications.**

(a) The SEA shall issue regulations with respect to consolidated applications submitted under this part.

(b) The SEA's regulations must—

(1) Be consistent with sections 612(1)–(7) and 613(a) of the Act; and

(2) Provide participating LEAs with joint responsibilities for implementing